



Senate

General Assembly

File No. 520

January Session, 2013

Substitute Senate Bill No. 1066

Senate, April 16, 2013

The Committee on Public Health reported through SEN. GERRATANA of the 6th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING CERTIFICATE OF NEED APPLICATION GUIDELINES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 19a-639 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2013*):

3 (a) In any deliberations involving a certificate of need application
4 filed pursuant to section 19a-638, the office shall take into
5 consideration and make written findings concerning each of the
6 following guidelines and principles:

7 (1) Whether the proposed project is consistent with any applicable
8 policies and standards adopted in regulations by the Department of
9 Public Health;

10 (2) The relationship of the proposed project to the state-wide health
11 care facilities and services plan;

12 (3) Whether there is a clear public need for the health care facility or

13 services proposed by the applicant;

14 (4) Whether the applicant has satisfactorily demonstrated how the
15 proposal will impact the financial strength of the health care system in
16 the state or that the proposal is financially feasible for the applicant;

17 (5) Whether the applicant has satisfactorily demonstrated how the
18 proposal will improve quality, accessibility and cost effectiveness of
19 health care delivery in the region;

20 (6) The applicant's past and proposed provision of health care
21 services to relevant patient populations and payer mix;

22 (7) Whether the applicant has satisfactorily identified the population
23 to be served by the proposed project and satisfactorily demonstrated
24 that the identified population has a need for the proposed services;

25 (8) The utilization of existing health care facilities and health care
26 services in the service area of the applicant; [and]

27 (9) Whether the applicant has satisfactorily demonstrated that the
28 proposed project shall not result in an unnecessary duplication of
29 existing or approved health care services or facilities; [.] and

30 (10) Whether the applicant has satisfactorily demonstrated that the
31 proposed project is consistent with the overall goals of federal health
32 care reform.

33 (b) The office, as it deems necessary, may revise or supplement the
34 guidelines and principles through regulation prescribed in subsection
35 (a) of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2013	19a-639

PH *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

There is no fiscal impact to the Department of Public Health's Office of Health Care Access (OHCA) from requiring OHCA, when evaluating a certificate of need application, to consider whether or not the applicant has satisfactorily demonstrated that the proposed project is consistent with the overall goals of federal healthcare reform.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**sSB 1066*****AN ACT CONCERNING CERTIFICATE OF NEED APPLICATION GUIDELINES.*****SUMMARY:**

This bill adds to the factors that the Department of Public Health's (DPH) Office of Health Care Access (OHCA) must consider when evaluating a certificate of need (CON) application, whether the applicant has satisfactorily demonstrated that the proposal is consistent with the overall goals of federal health care reform.

Generally, the law requires a health care facility to apply for a CON when it proposes to (1) establish a new facility or provide new services, (2) change ownership, (3) purchase or acquire certain equipment, or (4) terminate certain services.

Current law requires OHCA, when reviewing a CON application, to consider:

1. whether the proposal is consistent with any applicable policies and standards in DPH regulations;
2. the relationship of the proposal to the statewide health care facilities and services plan;
3. whether there is a clear public need for the proposed health care facility or services;
4. whether the applicant has satisfactorily demonstrated how the proposal will affect the financial strength of the state's health care system or that it is financially feasible for the applicant;
5. whether the applicant has satisfactorily demonstrated how the

proposal will improve the quality, accessibility, and cost-effectiveness of healthcare delivery in the region;

6. the applicant's past and proposed provision of health care services to relevant patient populations and payer mix;
7. whether the applicant has satisfactorily identified the population to be served by the proposal and satisfactorily demonstrated that the identified population needs the proposed services;
8. the utilization of existing health care facilities and health care services in the applicant's service area; and
9. whether the applicant has satisfactorily demonstrated that the proposal will not result in an unnecessary duplication of existing or approved health care services or facilities.

The office, as it deems necessary, may revise or supplement these guidelines and principles through regulation.

EFFECTIVE DATE: July 1, 2013

COMMITTEE ACTION

Public Health Committee

Joint Favorable Substitute

Yea 20 Nay 7 (04/02/2013)